

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: 11-27-13

State: Michigan

Fiscal Year to which credit applies: 2014

Overall Report ☒ (check one)
Two-parent Report ☐

Apply the overall credit to the two-parent participation rate? ☐ yes
☒ no

PART 1 –Eligibility Changes Made Since FY 2005 (Complete this section for EACH change)

1. Name of eligibility change:

- Requirement that work eligible individuals applying for cash assistance be referred immediately to the Work First program as a condition of eligibility was suspended effective 6/1/2006. This policy was reinstated effective 5/2/2007.

2. Implementation date of eligibility change:

- Individuals immediately referred to Work First program as a condition of eligibility was suspended 6/1/2006 and reinstated 5/2/2007.

3. Description of policy, including the change from prior policy:

- Mandatory Work First (WF) / Jobs, Education and Training (JET) clients must be referred to the WF/JET program upon application. Previous policy had temporarily eliminated this requirement as a condition of eligibility.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

- There is no longer a caseload impact which can be attached to this policy.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: N/A

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1. Name of eligibility change:

- A solely state-funded group of cases was created.

2. Implementation date of eligibility change:

- 10/1/2006

3. Description of policy, including the change from prior policy:

- Effective 10/1/2006, a solely state-funded group of cases was created. This group is comprised of two-parent families and cases in which the adult is incapacitated greater than 90 days. It is not a separate state program. However, it will be included with the caseload count under SSP for counting and reporting purposes.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- These cases will be added back into the caseload count on the TANF worksheet.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year:

- There were 12,697 state-funded cases in FY 2013

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1. Name of eligibility change:

- 45 CFR-Reauthorization of TANF-Final Rule
- Part 261.43 (2)
- A state that is investing State MOE funds in eligible families in excess of the required 75 or 80 percent basic MOE need only include the pro rata share of caseloads receiving assistance as required by statute.

2. Implementation date of eligibility change:

- Application of a federal regulation, not an eligibility change.

3. Description of policy, including the change from prior policy:

- N/A

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
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- See MOE worksheet.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year:

- N/A

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1. Name of eligibility change:

- Effective 7/1/2011, Michigan implemented a procedural change due to a finding in the TANF Single Audit. Adoption Subsidy (AS) and Guardianship Assistance Program (GAP) income was being excluded from the cash assistance program budget to determine financial eligibility. Due to the audit finding, Michigan changed its procedure to include these incomes. This change is being noted here as a procedural change, not an eligibility change. Michigan did not consider this change in the caseload reduction.

2. Implementation date of eligibility change:

- N/A

3. Description of policy, including the change from prior policy:

- N/A

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
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- N/A

5. Estimated average monthly impact of this eligibility change on caseload in comparison year:

- N/A

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Date of Completion: 11-27-13

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Fiscal Year to which credit applies: 2014

1. Name of eligibility change:

- A 19 year old attending high school full-time is no longer considered a dependent child in the eligible FIP group.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, a 19 year old that attended high school full-time and was expected to graduate before the age of 20, was a mandatory group member in the eligible FIP group. This child was in the FIP group as a dependent child until the child turned 20 years old, or graduated from high school, whichever occurred first.
- State law, MCL 400.57(1)(c) changed the definition of a child, eliminating any 19 year olds' active FIP.
- If a group's FIP eligibility was dependent on the 19 year old, the FIP case closed. The cases reported as closed were due to the only child in the home was 19 years old. Cases that had other children in the home remained open, but the needs of the 19 year old were removed.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 22 cases for FY 2013

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Date of Completion: 11-27-13

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1. Name of eligibility change:

- A 16 or 17 year old not attending high school full-time is disqualified from receiving FIP.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, a 16 or 17 year old that was not attending high school full-time was required to participate at Michigan's employment and training program.
- Policy item BEM 245, School Attendance and Student Status, was changed and the 16 or 17 year old will now be disqualified from receiving FIP and will not be referred to Michigan's employment and training program.
- If a group's FIP eligibility was dependent on the 16 or 17 year old who was not attending high school full-time, then the FIP case closed. The cases closed were due to the only child in the home being the disqualified child. Cases that had other children or a pregnant grantee in the home remained open, but the needs of the 16 or 17 year old were removed.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 9 cases for FY 2013

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Fiscal Year to which credit applies: 2014

1. Name of eligibility change:

- Financial need exists for FIP if there is at least a \$10 deficit after income is budgeted. If the deficit is less than \$10, the FIP case is closed.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, after budgeting any earned or unearned income, if a group's FIP grant was under \$10, the FIP case would remain open/approved, but the client would not receive the grant amount.
- Policy item BEM 518, FIP Income Budgeting, was updated stating financial need exists if there is at least a \$10 deficit after income is budgeted.
- A deficit of at least \$10 is required to receive a cash benefit. If the deficit is less than \$10, financial need does not exist and the FIP group is not eligible to receive benefits. The FIP case will close.

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State: Michigan	Fiscal Year to which credit applies: 2014
<p>4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)</p> <ul style="list-style-type: none">• Tracked the actual case closures for each month through Michigan's Bridges system.	
<p>5. Impact of this eligibility change on caseload in comparison year:</p> <ul style="list-style-type: none">• 174 cases for FY 2013	

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Date of Completion: 11-27-13

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1. Name of eligibility change:

- Asset limit of \$500,000 for property assets.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, property assets were excluded from determining FIP eligibility.
- The annual appropriations act of 2011, 2011 P.A. 63 Sec. 686(3), states "The department shall prohibit individuals with property assets assessed at a value higher than \$500,000 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines."
- If a FIP group has more than \$500,000 total property assets, the FIP case will close.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 0 cases for FY 2013

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Date of Completion: 11-27-13

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Fiscal Year to which credit applies: 2014

1. Name of eligibility change:

- A person convicted two or more times for a drug related felony is disqualified from FIP.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, the department only disqualified an individual receiving FIP if that person was in violation of the terms of their probation/parole and the conduct for which the person was convicted occurred after August 22, 1996. If the person was not in violation of the terms of probation or parole, the FIP benefits were paid in the form of restricted payments.
- The annual appropriations act of 2011, 2011 P.A. 63 Sec 619(2), changed this policy to disqualify an individual if the individual was convicted in two or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22, 1996.
- If a group's FIP eligibility was dependent on the individual who was disqualified due to a second drug related felony, then the FIP case closed. The cases that may close would be due to the disqualification of the only person in the group receiving FIP. Cases that had other individuals eligible to receive FIP remained open, but the needs of the disqualified individual were removed.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 1 case for FY 2013

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Date of Completion: 11-27-13

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Fiscal Year to which credit applies: 2014

1. Name of eligibility change:

- The 60 month federal time limit hardship exemption was eliminated from the TANF State Plan which had the effect of closing FIP cases that included individuals that received over 60 months of federally funded FIP.

2. Implementation date of eligibility change:

- 10/1/2011

3. Description of policy, including the change from prior policy:

- Previous to the policy change, Michigan utilized the option of extending assistance beyond 60 months to individuals, up to 20 percent of the average monthly TANF case load in the TANF State Plan.
- Effective 10/1/2011, Michigan changed the TANF State Plan, no longer utilizing the option for extending assistance beyond 60 months for individuals. Once an individual in the FIP group reaches 60 federally funded months, the group is ineligible for FIP assistance.
- Effective 1/9/2013 State law, MCL 400.57a(4) was signed with immediate effect stating the department shall not provide FIP to any program group that includes an adult who has received assistance under any state program funded with TANF for more than 60 months.
 - Exception: MCL 400.57a(4) does not apply to a program group that includes an adult who was exempt from the JET program on 1/9/2013 under certain conditions. These cases are state-funded. They are not a separate state program. However, they are included with the caseload count under SSP for counting and reporting purposes.
- A group is not eligible for TANF (FIP) if an individual in the group has received over 60 federally funded FIP months.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 1,331 cases for FY 2013

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1. Name of eligibility change:

- Effective 3/28/2012, the policy change that took effect on 10/1/2011 (The 60 month federal time limit hardship exemption was eliminated from the TANF State Plan which had the effect of closing FIP cases that included individuals that received over 60 months of federally funded FIP) was challenged in Michigan's court system. After an adverse Circuit Court ruling, starting 3/28/12, any client's case that closed due to exceeding the 60 month federal time limit was given the option to reapply. If a client was determined eligible for FIP, waiving the federal time limit eligibility criteria, the FIP case was approved with the FIP case being state funded. This group is not a separate state program. However, it will be included with the caseload count under SSP for counting and reporting purpose.
- Effective 1/9/2013 State law, MCL 400.57a(4) was signed with immediate effect stating the department shall not provide FIP to any program group that includes an adult who has received assistance under any state program funded with TANF for more than 60 months. If a groups eligibility was based on the adverse Circuit Court ruling from 3/28/2012, and the FIP case did not meet the exception criteria in MCL.57a(4), the state funded FIP case closed.

2. Implementation date of eligibility change:

- N/A

3. Description of policy, including the change from prior policy:

- N/A

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4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

- These cases will be added back into the caseload count on the TANF worksheet.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year:

- These cases are included in the SSP Caseload count of 12,697 on the TANF worksheet for FY 2013.

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1. Name of eligibility change:

- An individual in a group cannot receive more than 48 months of FIP in a lifetime.

2. Implementation date of eligibility change:

- 10/1/2007

3. Description of policy, including the change from prior policy:

- Previous to this policy change in 2007, Michigan did not have a more restrictive time limit than the time limit of 60 months in Federal law.
- From the policy start date of 10/1/2007, 10/1/2011 is the first month a client could reach 48 months and have their FIP closed due to the state time limit.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 1,312 cases for FY 2013

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Fiscal Year to which credit applies: 2014

1. Name of eligibility change:

- If a dependent child in the FIP group age 6-15 is not attending school full-time, the entire FIP group is not eligible to receive FIP.

2. Implementation date of eligibility change:

- 10/1/2012

3. Description of policy, including the change from prior policy:

- Previous to this policy change, the FIP case would remain open/approved if a family included a child 6-15 years old that was not attending school full-time.
- Policy item BEM 245, School Attendance and Student Status, was updated stating if a dependent child age 6-15 is not attending school full-time, the entire FIP group is not eligible to receive FIP.
- If it is verified that a dependent child 6-15 years old in the FIP group is not attending school full-time, the FIP case will close for the entire group.

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4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

- Tracked the actual case closures for each month through Michigan's Bridges system.

5. Impact of this eligibility change on caseload in comparison year:

- 213 cases for FY 2013

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Date of Completion <u>2-12-13</u>	
State: <u>Michigan</u>	Fiscal Year to which credit applies: <u>2014</u>

PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT
Overall Credit

	A	B	C	D	E	F
1	State?			Fiscal Year to which credit applies:		2014
2				Date of Completion:	12/02/2013	
3	PART 2 – Estimate of Caseload Reduction Credit					
4						
5	Impact of All Changes			Caseload Reduction Calculation		
6	19 yr olds removed as dependent ch	-22		FY 2005 TANF Caseload	80,595	
7	16/17 yr olds disqualified for not atten	-9		FY 2005 SSP Caseload		
8	Less than \$10 deficit	-174		Total FY 2005 Caseload	80,595	
9	60 month federal time limit	-1331		FY 2013 TANF Caseload	37,535	
10	48 month state time limit	-1,312		FY 2013 SSP Caseload	12,697	
11	\$500,000 property asset limit	0		Total FY 2013 Caseload	50,232	
12	Persons convicted of two drug relate	-1		Excess MOE Cases in FY 2013	4,054	
13	6-15 yr old not attending school full-t	-213		Adjusted FY 2013 Caseload	46,178	
14				Caseload Decline	34,417	42.7%
15				Decline – Net Impact	31,355	
16						
17				Caseload Reduction Credit =		38.9%
18						
19						
20						
21						
22	The Impact of the state-funded group					
23	is listed in FY 2013 SSP Caseload					
24						
25						
26	Net Impact	-3,062				
27						
28						

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Excess MOE Worksheet

	A	B	C	D	E	F
1				Fiscal Year to which credit applies:		2014
2				Date of Completion:		12/02/2013
3	Excess MOE Calculation Worksheet					
4						
5	Caseload Data			Expenditure Data		
6	FY 2005 TANF Caseload	80,595		Total Expenditures		
7	FY 2005 SSP Caseload	0		FY 2013 Total Federal Expenditures		\$774,373,319
8	Total FY 2005 Caseload	80,595		FY 2013 Total MOE Expenditures		\$577,641,396
9	FY 2013 TANF Caseload	37,535		Total Expenditures (Federal + MOE)		\$1,352,014,715
10	FY 2013 SSP Caseload	12,697				
11	Total FY 2013 Caseload	50,232		Assistance Expenditures		
12				FY 2013 Federal Expenditures on Assistance		\$144,460,802
13	2-Parent Caseload Data			FY 2013 MOE Expenditures on Assistance		\$62,119,622
14	FY 2005 2-p TANF Caseload	0		Total Expenditures on Assistance (Federal + MOE)		\$206,580,424
15	FY 2005 2-p SSP Caseload	0		Percentage of Expenditures on Assistance		15.28%
16	Total FY 2005 Caseload	0				
17	FY 2013 2-p TANF Caseload	0		Expenditures Per Case		
18	FY 2013 2-p SSP Caseload	0		Average Expenditures per Case		\$26,915
19	Total FY 2013 Caseload	0		Average Expenditures per Case on Assistance		\$4,113
20						
21				MOE and Excess MOE		
22				Required MOE (80% or 75%)		\$468,518,376
23				Excess MOE Expenditures		\$109,123,020
24				Excess MOE Expenditures on Assistance		\$16,673,398
25	Adjusted Caseload Data					
26	Adjusted FY 2013 Overall Caseload	46,178		Assistance Cases Funded by Excess MOE		4,054
27	Adjusted FY 2013 2-parent Caseload	0		2-Parent Assistance Cases Funded by Excess MOE		0
28						
29						
30						
31						
32						

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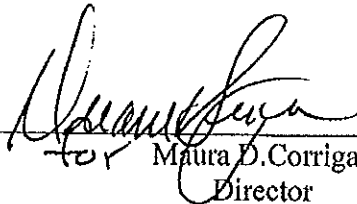
Date of Completion 11-27-13

State: Michigan

Fiscal Year to which credit applies: 2014

PART 3 -- Certification

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.



for Maura D. Corrigan
Director

Michigan Department of Human Services